

**IN THE UNITED STATES DISTRICT
FOR THE WESTERN DISTRICT OF
OKLAHOMA**

UNIVERSITAS EDUCATION, LLC,)	
)	
Petitioner/Judgment Creditor)	
)	
vs.)	
)	
AVON CAPITAL, LLC,)	
)	
Respondent/Judgment Debtor,)	
)	
ASSET SERVICING GROUP, LLC,)	
)	
Respondent, Garnishee,)	Case No. 14-FJ-05-HE
)	
SDM HOLDINGS, LLC,)	
)	
Respondent/Garnishee,)	
)	
and)	
)	
AVON CAPITAL, LLC, a Wyoming Limited)	
Liability Company,)	
)	
Intervenor.)	

JOINDER TO RECEIVER’S MOTION TO CLARIFY AUTHORITY

COMES NOW Petitioner Universitas Education, LLC (“Universitas”), by and through counsel, and respectfully submits this Joinder to Receiver’s Motion to Clarify Authority (Doc. No. 571) (“Joinder”). In support of its Joinder, Universitas states as follows:

1. On January 22, 2024, Ryan Leonard, who serves as Receiver of Avon Capital, LLC, a Wyoming limited liability company, filed a Motion to Clarify his authority.

2. In his Motion to Clarify Authority, the Receiver notes that immediately after entering his Oath of Receiver, he removed the current manager of SDM Holdings, LLC (“SDM-Ok”) and replaced that former manager.

3. The Motion to Clarify Authority then notes that Asset Servicing Group, the entity responsible for managing the life insurance portfolio nominally held by SDM, has not recognized the authority of SDM’s new manager pursuant to instructions from individuals associated with a Connecticut limited liability company also called SDM Holdings, LLC (“SDM-Conn”). SDM-Conn apparently contends that it owns the policies in question.

4. SDM-Conn is an entity affiliated with Daniel Carpenter, the architect of the theft of \$30 million in insurance policy proceeds that rightfully belonged to Universitas (Mr. Carpenter signed the merger on behalf of SDM-Conn). (Doc. No. 354-3.) Its claim to the policies arises from a purported merger that allegedly became effective in 2017, at a time when Avon-WY had entered into this case based on its ownership of SDM-Ok. This claim is also inconsistent with Avon-WY’s continued claims of ownership in this case, which are the predicate for its standing and continued involvement in the matter.

5. As this Court previously noted, there exist “substantial open questions as to whether there was a merger or other legitimate business transaction between the two identically named SDM entities or whether this most recent announcement is part of an

ongoing pattern of obfuscation, shell games, and scheming to avoid paying creditors.” (Order dated February 9, 2022, Doc. No. 367 at 2.)¹

6. The interference of SDM-Conn is also particularly concerning based on the history of Daniel Carpenter-controlled entities’ use of fraud and shell companies to conceal the funds stolen from Universitas.

7. Magistrate Judge Mitchell’s Report and Recommendation, which this Court adopted in its Order dated August 15, 2023, found that an Avon Capital LLC entity based in Nevada used funds stolen from Universitas to fund Avon-Wy’s purchase of SDM on Avon-Wy’s behalf. (Doc. No. 218 at 21-22.) At the time, Avon-Wy was administratively dissolved. (Doc. No. 218 at 20.) The Report and Recommendation found that the evidence that the three Avon Capital entities were alter egos was so overwhelming that a reasonable jury could “not find Avon-WY, Avon-CT, and Avon-NV operated as anything but alter egos.” (Doc. No. 218 at 61.)

8. The attempt of SDM-Conn to interfere in this matter based on a purported merger with and/or ownership interest over SDM-Ok appears to be an attempt by Daniel Carpenter and his affiliates to transfer assets purchased with funds stolen from Universitas and to attempt to improperly move those assets beyond the reach of this Court and Universitas. The purported merger and transfer of the policies to an identically-named entity that is also apparently controlled by Daniel Carpenter is a textbook example of

¹ While this Order was issued at a time during which this Court lacked jurisdiction over the above-captioned case, Universitas believes the factual findings in that Order remain valid, as does the concern that SDM-Conn’s involvement in this matter is simply a delay and/or obfuscation tactic.

fraudulent transfer, especially in light of Mr. Carpenter’s adjudicated history of fraud, the fact the assets are the subject of the instant garnishment proceeding, the close relationship between the transferring entities, and the surreptitious nature of the transfer and its inconsistency with Avon-Wy’s proclaimed ownership interest. *See* 24 OK Stat. §§ 116(A), (B)(1)-(5), (B)(7) (2022)

9. This attempt is particularly egregious in light of the fact that there has existed a continuing injunction against the transfer of Avon-Wy’s property or its ownership interest in SDM since this Court first adopted the Report and Recommendation in February of 2021. (Doc. Nos. 228, 284, 500, 512, and 521.) This Court reaffirmed the existence of the injunction in its Order dated January 4, 2024, noting that “injunctive relief has been in place prohibiting the dissipation of Avon’s assets, including SDM.” (Doc. No. 564 at 9.)

10. Thus, Universitas respectfully joins the Receiver’s Motion to Clarify Authority and respectfully requests that the Receiver’s Motion be granted in order to effectuate this Court’s stated intention of “preserv[ing] the assets of Avon Capital LLC (Wyoming),” including the insurance policies nominally held by SDM-Ok.

Dated: January 30, 2024

Respectfully submitted,

/S/ Joseph L. Manson III
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ATTORNEYS FOR PETITIONER
UNIVERSITAS EDUCATION, LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of January, 2024, I electronically transmitted the foregoing document to the Clerk of Court using the ECF System for filing and transmittal of Notice of Electronic Filing to the following ECF registrants on record:

John D. Stiner

Joseph H. Bocock

Alan Rupe

Francis Schneider

Melvin McVay

Clayton Ketter

Joseph L Manson, III

Jeffrey Sandberg

Heidi Long

/s/ Joseph L. Manson III_____